



State of California  
**Employment Training Panel**

Training Proposal for:  
**Class 8 Truck Repair L.L.C.**  
**Agreement Type: \$75,000 or Less**  
**Agreement Number: ET09-0186**

Panel Meeting of: **July 25, 2008**

ETP Regional Office: **San Diego**

Analyst: R. Swier

**CONTRACTOR:**

- |  |  |
|--|--|
| • Type of Industry:                      | Services:  |
|  | Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| • Contractor's # of Full-Time Employees: | 385  |
|  | ➤ California: 350  |
|  | ➤ Worldwide: 385   |
|  | ➤ Number to be trained: 44   |
| • Manager/Supervisor:                    | 9%   |
| • Turnover Rate:                         | 0%   |
| • Repeat Contractor:                     | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No                    |
| • Substantial Contribution:              | <input type="checkbox"/> Yes: <input checked="" type="checkbox"/> No                   |

**CONTRACT:**

- |                              |  |
|------------------------------|--|
| • Training Project Profile:  | SET/HUA/Retrainee<br>SET/Retrainee   |
| • ETP Funding Amount:        | \$72,600   |
| • In Kind Contribution:      | \$75,000   |
| • Average Cost per Trainee:  | \$1,650  |
| • Post Retention Wage Range: | \$12.85 to \$45.00 for all Job Numbers   |
| • Health Benefits:           | \$2.50 per hour  |
| • Occupations to be Trained: | Mechanic, Welder, Tire Changer, Materials<br>Handler, Adminstration Staff, Transload Worker,<br>Manager, Foreman |

- Training Menu:
  - ☒ Computer
  - ☒ Commercial
  - ☒ Cont. Improvement
  - ☐ Management
  - ☒ Business
  - ☐ Other:
- Advanced Technology: ☐ Yes ☒ No
- Range of Hours: 24-200 Weighted Avg: 110
- Multiple Job Numbers: ☒ Yes ☐ No
- County(ies) Served: San Bernardino, Kern, Napa
- Union Representation: ☐ Yes: ☒ No
- Subcontractor: N/A
- Third Party Services: N/A

## **INTRODUCTION**

Class 8 Truck Repair L.L.C. (Class 8 Truck Repair) is a full service truck, trailer, railcar, and transload equipment repair facility. Services include preventative maintenance, repair, welding and cleaning. Class 8 Truck Repair plans to train employees with ETP funds on existing and new equipment in order to remain competitive and attract new customers.

## **SPECIAL EMPLOYMENT TRAINING**

The Panel may fund Special Employment Training (SET) projects to improve the skills and employment security of frontline workers who earn at least the state average wage of \$23.36 per hour. SET projects are not subject to the out-of-state competition requirement and SET trainees are not subject to the unemployment eligibility requirements.

## **FRONTLINE WORKER**

The company uses the job classification of "Foreman" as an occupation. Based on the nature and scope of the Foreman's job duties, these employees perform duties of a frontline worker, and are eligible for overtime compensation. Therefore, they meet the Panel's definition of frontline workers. (Title 22, California Code of Regulations (CCR), Section 4400(ee).) As such, all retrainees in this proposal meet SET frontline worker provisions.

## **SET HIGH UNEMPLOYMENT AREAS**

The Panel may fund a SET project in a High Unemployment Area (HUA). In which case a trainee may earn less than the state average hourly wage, HUA trainees must earn at least the ETP minimum Wage (Title 22, CCR, Section 4409(b).).

Class 8 Truck Repair proposes to train at its Adelanto and Bakersfield facilities, which are designated as HUAs. Class 8 Truck Repair minimum wages for these facilities (Job Number 1) is \$12.85 per hour as in accordance with Title 22, CCR, Section 4429 (b). This wage is still higher than the ETP minimum wage for San Bernardino and Kern Counties which is \$9.64 per hour.

**RECOMMENDATION**

For the reasons set forth above, staff recommends approval of the proposal, including the wage modification.